

Committee Name:	Board of Directors	Session #:	1
Committee Chair:	Ed Coates		
Minutes recorded by:	Carrie Stolar	Date/time of meeting:	11/18/24 8:00 PM ET

Actions Taken:

1. Approved: Oct. 21, 2024 BOD meeting minutes.
2. Approved: The 2025 GUS budget proposal with a net operating deficit of \$94.7k as proposed by staff and as recommended by the Finance Committee.
3. Approved: The 2025 USMS budget proposal with a net operating income before depreciation of \$389.8k and capital expenditures of \$335k, with a net Operating surplus of \$54.8K as proposed by staff and as recommended by the Finance Committee.

Number of committee members present:	17	Absent:	0	Guests:	1
Committee members present/virtual (list all, including chair and vice chair): Ed Coates – President; Julie Dussliere - VP of Administration; Kenny Brisbin - VP of Community Services; Crystie McGrail - VP of Local Operations; Robin Smith - VP of Programs; Carrie Stolar - Secretary; Jill Gellatly – Treasurer; Katie Kenyon (Legal Counsel); Peter Guadagni (Immediate Past President); Dawson Hughes – CEO; At-Large Directors: Sam Kraft (Breadbasket); Guy Davis (Colonies); C.J. Rushman (Great Lakes); Rob Heath (Northwest); Phyllis Quinn (Oceana); Nicole Christensen (South Central); Trey Taylor (Southeast); Jeff Commings (Southwest).					
Not present: none					
Guests: Brian Robbins.					

Minutes

The meeting was called to order at 8:01 PM ET.

1. Agenda review and declarations of conflict of interest (Ed): There were no changes to the agenda or conflicts of interest.
2. Approval of the October 21 meeting minutes (Carrie): **MSA for approval of the Oct 21, 2024 BOD meeting minutes.** Discussion: none. **The motion passed unanimously.**
3. Minute of happiness (Julie): Ed asked for volunteers to share minutes of happiness in the upcoming months. Crystie will share in December. Julie shared about the masters meet in Ft. Lauderdale that she participated in over the weekend. She also shared that she bought a house earlier today in Indiana.
4. CEO update (Dawson):
 - a. Currently finalizing the 2025 budget.
 - i. 2025 registration opened on November 1. About 5,700 members did automatic renewal. The auto renewal process combined with the signing of the waiver, adding donations and add-ons (like coach designation and USMS+) initially had issues at launch but they have been resolved.
 - ii. Jeff asked how many USMS+ memberships we had in 2024. There were 500-600 last year and we hope to grow the number in 2025. Dawson said they have enhanced the benefits of the USMS+ membership.
5. Insurance update and recommendation from the Finance Committee (Dawson): As presented by IOA last month, USMS has higher insurance coverage than our NGB peers. Dawson shared the additional excess pricing options. The Finance Committee recommends staying at the current level of coverage (\$5 million of additional excess insurance). Guy shared that the Finance Committee feels that the financial benefit of decreasing the amount of insurance coverage is not worthwhile given the small amount of savings. The cost to carry this level of coverage is included in the 2025 budget.
6. 2025 Budget Review and Approval:

- a Dawson and Brian gave an overview of the GUS budget for 2025, which is separate from the USMS operating budget.
 - i In 2024, participation and revenue have doubled over 2023. Returning league membership, on average, doubled. The forecast for 2025 continues with strong growth in established leagues (in years 2-4), but smaller markets will have a capped growth forecast. In 2025, more leagues will be added, with the goal of GUS breaking even in 2026. 2024 membership growth fell short of predictions. It was expected that the USMS marketing capabilities and database would help GUS grow by more than it did. Questions were answered about the growth for GUS projected for 2025 given the shortfall in 2024. Brian explained that since the pandemic, participation has doubled every year. Moving forward, growth will come from adding more leagues and putting more support behind existing leagues. Brian also explained that league director pay is based on membership numbers. Crystie asked for a comparison of 2023 numbers. Brian walked the BOD through how he built the GUS budget and explained that he works with each league director to forecast growth for his/her league. Brian said that he has high confidence in the league growth numbers moving forward.
 - ii **Motion to approve the 2025 GUS budget proposal with a net operating deficit of \$94.7k as proposed by staff and as recommended by the Finance Committee.** Discussion: none. **The motion passed unanimously.**
 - iii Brian Robbins dropped off the call. Dawson commented that a lot of the expenses for GUS are per swimmer, so when membership numbers are less than expected, expenses are lower as well.
 - b USMS budget (Dawson):
 - i Dawson gave an overview of the 3-year operating projections. The changes in the budget since the annual meeting include higher insurance premiums, further analysis of compensation and staffing, and an updated GUS forecast based on 2024 results. In 2025 we will continue to focus on scaling up new products like GUS and LaneMate and continue to grow CCS along with a 2.5% growth in USMS membership. Dawson shared the IT projects for 2025, including event sanctioning and calendar of events, bulk membership registration, implementation of Salesforce CRM for marketing automation and email marketing and communication, and CCS website and registration integration. The Relay theme for 2025 will be club and coach development, which will be a major strategic focus of 2025.
 - ii Questions: Peter asked if the BOD could get an IT/capital expenses update quarterly or biannually. Dawson will update it at the in-person BOD meetings. CJ asked about the elimination of the sanction fees and Dawson explained the process and reasoning behind it. Ed reminded the BOD that a breakeven budget is considered +/- \$100K. Dawson responded to a question by Nicole that database marketing for GUS isn't effective as we thought it would be. Word of mouth is much more effective as a marketing tool for GUS – and USMS. For CCS, the first priority is to get the technology in place to automatically give CCS swimmers a USMS ID when they register for CCS. After this process is in place, communication will start for CCS about the opportunity to participate in USMS events. We will then develop a communication plan on how to engage CCS members at an LMSC and event level. We also need to let CCS teams know that they can host meets and invite USMS swimmers.
 - iii **Motion to approve the 2025 USMS budget proposal with a net operating income before depreciation of \$389.8k and capital expenditures of \$335k, with a net Operating surplus of \$54.8K as proposed by staff and as recommended by the Finance Committee.** Discussion: none. **The motion passed unanimously.**
7. The winter BOD meeting will be Feb. 21-23 in Kansas City. Please book flights and send your travel arrangements to Jessica. Dinner on Friday will be around 6:30, and we will be done by noon on Sunday. Please see Jessica's email for more information.
 8. Committee appointment process (Ed): The permanent committees of the BOD require approval of the BOD. Ed will share them with the BOD in December. He is working with the proposed committee chairs and VPs to fill out the standing committees. The standing committee chairs will be approved at the 12/2 EC meeting. The membership of those committees are filled by Ed with the concurrence of the committee chairs.
 9. Peter's email after Relay training session (Ed and Peter): Peter sent an email with supporting documents on HR practices and comp and benefit plans for USMS. In December we will be approving bonus goals and 2025 compensation for Dawson.
 10. The next BOD meeting will be on December 16. Please wear an ugly Christmas sweater or holiday attire.

The meeting was adjourned at 9:07 PM ET.

Respectfully Submitted,

Carrie Stolar, Secretary